

CITY OF EUNICE, LOUISIANA

Financial Report

Year Ended June 30, 2000

Under provisions of state law, this report is a public document and is hereby submitted to the entire citizenry. The report is being submitted to the Baton Rouge office of the Louisiana State Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date ~~DEC 27 2000~~

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1 - 2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined Balance Sheet - All Fund Types and Account Groups	4 - 5
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - All Governmental Fund Types	7 - 8
Combined Statement of Revenues, Expenditures, and Changes in Retained Earnings - All Proprietary Fund Types	9
Combined Statement of Cash Flows - All Proprietary Fund Types	10
Notes to Financial Statements	11 - 28
SUPPLEMENTARY INFORMATION	
SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS	
GENERAL FUND	
Comparative Balance Sheets	31
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	32
Schedule of Revenues and Other Sources - Budget (GAAP Basis) and Actual	33
Schedule of Expenditures and Other Uses - Budget (GAAP Basis) and Actual	34 - 36
SPECIAL REVENUE FUNDS	
Combining Balance Sheet	38 - 39
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	40 - 41
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Special Revenue Funds	42
DEBT SERVICE FUNDS	
Combining Balance Sheet	44
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	45
CAPITAL PROJECT FUNDS	
Combining Balance Sheet	47
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	48

	<u>Page No.</u>
ENTERPRISE FUND	
Comparative Balance Sheets - Utility Fund	50
Comparative Schedule of Revenues, Expenses and Changes in Retained Earnings - Utility Fund	51 - 52
INTERNAL SERVICE FUND	
Comparative Balance Sheets - Group Insurance Fund	54
Comparative Schedules of Revenues, Expenses, and Changes in Retained Earnings - Group Insurance Fund	55
FIDUCIARY FUND TYPES	
Comparative Balance Sheets - Payroll Fund	57
GENERAL FIXED ASSETS ACCOUNT GROUP	
Schedule of Changes in General Fixed Assets	59
GENERAL LONG-TERM DEBT ACCOUNT GROUP	
Combining Schedule of General Long-Term Debt	61
INTERNAL CONTROL, COMPLIANCE AND OTHER GRANT INFORMATION	
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	63 - 64
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	65 - 66
Summary Schedule of Prior Year Findings	67
Schedule of Findings and Questioned Costs	68 - 69
Management's Corrective Action Plan for Current Year Findings	70
Schedule of Expenditures of Federal Awards	71
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Per Diem Paid to Members of the Council	73



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Independent Auditor's Report

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton E. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Armato, CPA
Alan M. Taylor, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA
Frich G. Loewer, Jr., CPA
Frich G. Loewer, III, CPA
Danny P. Pontiff, CPA
Tamera T. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Hilda S. Guidry, CPA
Julie T. Templet, CPA
Barbara A. Clark, CPA
Monica E. Laverne, CPA

The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

We have audited the accompanying general purpose financial statements of the City of Eunice, Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Eunice, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Eunice, Louisiana, as of June 30, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated September 13, 2000, on our consideration of the City of Eunice, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which a qualified opinion on the primary government financial statements of the City of Eunice, Louisiana was expressed.

Locations:

125 Rue Beauregard
Lafayette, LA 70508
337.232.3312

1231 E. Laurel Avenue
Eunice, LA 70535
337.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

404 Pete Megret
Abbeville, LA 70510
337.893.5470

Member of
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Eunice, Louisiana, taken as a whole. The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana

September 13, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CITY OF EUNICE, LOUISIANA
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS				
Cash and cash equivalents	\$ 547,011	\$ 916,999	\$ 515,533	\$ -
Investments, at cost	-	335,365	741,528	147,291
Receivables (net of allowance for uncollectibles):				
Accounts	-	-	-	-
Taxes	2,308	508	-	-
Other	1,828	-	-	-
Due from governmental units	87,572	-	-	-
Due from other funds	-	172,234	-	-
Prepaid items	77,035	-	-	-
Restricted assets:				
Cash	-	-	-	-
Investments, at cost	-	-	-	-
Land and buildings	-	-	-	-
Industrial facilities	-	-	-	-
Autos, equipment, furniture and fixtures	-	-	-	-
Utility, plant and equipment, at cost	-	-	-	-
Accumulated depreciation	-	-	-	-
Amounts available in debt service funds	-	-	-	-
Amounts to be provided for retirement of general long-term debt	-	-	-	-
Total assets	\$ 715,754	\$ 1,425,106	\$ 1,257,061	\$ 147,291
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 57,288	\$ 266	\$ -	\$ 2,085
Accrued liabilities	73,629	80,463	-	-
Deferred grant revenue	17,370	-	-	-
Due to other funds	105,471	19,539	82,843	832
Payable from restricted assets -				
Customers' deposits	-	-	-	-
General long-term debt	-	-	-	-
General obligation bonds payable	-	-	-	-
Capital leases payable	-	-	-	-
Total liabilities	253,758	100,268	82,843	2,917
Fund equity:				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings -				
Unreserved	-	-	-	-
Fund balances:				
Reserved for prepaid items	77,035	-	-	-
Reserved for debt service	-	-	1,174,218	-
Unreserved, undesignated	384,961	1,324,838	-	144,374
Total fund equity	461,996	1,324,838	1,174,218	144,374
Total liabilities and fund equity	\$ 715,754	\$ 1,425,106	\$ 1,257,061	\$ 147,291

The accompanying notes are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Debt	2000	1999
\$ 102,869	\$ 6,868	\$ 90,708	\$ -	\$ -	\$ 2,179,988	\$ 2,478,091
-	94,311	-	-	-	1,318,495	1,473,296
250,593	-	-	-	-	250,593	239,729
-	-	-	-	-	2,816	1,233
791	-	-	-	-	2,619	40,000
-	-	-	-	-	87,572	26,734
824	-	47,217	-	-	220,275	260,922
17,860	-	-	-	-	94,895	63,104
43,431	-	-	-	-	43,431	42,189
191,317	-	-	-	-	191,317	185,469
-	-	-	5,754,940	-	5,754,940	5,754,940
-	-	-	1,175,184	-	1,175,184	1,175,184
-	-	-	2,172,696	-	2,172,696	2,052,359
13,494,623	-	-	-	-	13,494,623	13,120,006
(5,216,151)	-	-	-	-	(5,216,151)	(4,910,330)
-	-	-	-	1,185,363	1,185,363	1,158,479
-	-	-	-	1,357,838	1,357,838	1,998,645
<u>\$ 8,886,157</u>	<u>\$ 101,179</u>	<u>\$ 137,925</u>	<u>\$ 9,102,820</u>	<u>\$ 2,543,201</u>	<u>\$ 24,316,494</u>	<u>\$ 25,160,050</u>
\$ 30,352	\$ -	\$ -	\$ -	\$ -	\$ 89,991	\$ 211,908
155,674	-	137,925	-	-	447,691	266,410
-	-	-	-	-	17,370	-
11,590	-	-	-	-	220,275	260,922
204,865	-	-	-	-	204,865	203,215
-	-	-	-	108,086	108,086	12,577
-	-	-	-	2,290,000	2,290,000	2,830,000
55,833	-	-	-	145,115	200,948	386,957
458,314	-	137,925	-	2,543,201	3,579,226	4,171,989
4,927,524	-	-	-	-	4,927,524	4,927,524
-	-	-	9,102,820	-	9,102,820	8,982,483
3,500,319	101,179	-	-	-	3,601,498	3,647,736
-	-	-	-	-	77,035	48,632
-	-	-	-	-	1,174,218	1,102,973
-	-	-	-	-	1,854,173	2,278,713
8,427,843	101,179	-	9,102,820	-	20,737,268	20,988,061
<u>\$ 8,886,157</u>	<u>\$ 101,179</u>	<u>\$ 137,925</u>	<u>\$ 9,102,820</u>	<u>\$ 2,543,201</u>	<u>\$ 24,316,494</u>	<u>\$ 25,160,050</u>

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in
Fund Balances - All Governmental Fund Types
Year Ended June 30, 2000

	Governmental Fund Types				Total	
	General	Special Revenue	Debt Service	Capital Projects	(Memorandum Only)	
					2000	1999
Revenues:						
Taxes	\$ 883,908	\$ 2,956,626	\$ -	\$ -	\$ 3,840,534	\$ 3,808,686
Licenses and permits	389,941	-	-	-	389,941	373,797
Intergovernmental revenues	338,003	196,414	-	243,069	777,486	835,451
Fines, forfeitures and bonds	15,105	4,906	-	-	20,011	17,533
Liberty Cajun Music Show	132,070	-	-	-	132,070	65,230
Interest	-	33,294	49,556	5,239	88,089	94,027
Miscellaneous	191,119	25,849	48,000	-	264,968	225,576
Total revenues	<u>1,950,146</u>	<u>3,217,089</u>	<u>97,556</u>	<u>248,308</u>	<u>5,513,099</u>	<u>5,420,300</u>
Expenditures:						
Current -						
General government	947,439	143,933	-	-	1,091,372	975,754
Public safety	2,144,298	133,822	-	-	2,278,120	2,110,206
Public works	877,219	76,287	-	-	953,506	901,333
Health and welfare	23,775	12,042	-	-	35,817	62,515
Culture and recreation	452,918	102,755	-	-	555,673	599,200
Other	28,391	-	553	44,152	73,096	52,688
Capital outlay	-	591,705	-	243,105	834,810	1,292,325
Debt service:						
Principal retirement	-	46,014	554,473	-	600,487	547,029
Interest and fiscal charges	-	9,678	155,085	-	164,763	194,276
Total expenditures	<u>4,474,040</u>	<u>1,116,236</u>	<u>710,111</u>	<u>287,257</u>	<u>6,587,644</u>	<u>6,735,326</u>
Excess (deficiency) of revenues over expenditures	<u>(2,523,894)</u>	<u>2,100,853</u>	<u>(612,555)</u>	<u>(38,949)</u>	<u>(1,074,545)</u>	<u>(1,315,026)</u>
Other financing sources (uses):						
Operating transfers in	2,200,564	5,750	700,291	-	2,906,605	3,110,956
Operating transfers out	(5,750)	(2,134,711)	(16,491)	-	(2,156,952)	(2,177,121)
Proceeds from capital leases	-	-	-	-	-	233,555
Total other financing sources (uses)	<u>2,194,814</u>	<u>(2,128,961)</u>	<u>683,800</u>	<u>-</u>	<u>749,653</u>	<u>1,167,390</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(329,080)</u>	<u>(28,108)</u>	<u>71,245</u>	<u>(38,949)</u>	<u>(324,892)</u>	<u>(147,636)</u>
Fund balances, beginning	<u>791,076</u>	<u>1,352,946</u>	<u>1,102,973</u>	<u>183,323</u>	<u>3,430,318</u>	<u>3,577,954</u>
Fund balances, ending	<u>\$ 461,996</u>	<u>\$ 1,324,838</u>	<u>\$ 1,174,218</u>	<u>\$ 144,374</u>	<u>\$ 3,105,426</u>	<u>\$ 3,430,318</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - All Governmental Fund Types Year Ended June 30, 2000

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 918,600	\$ 883,908	\$ (34,692)
Licenses and permits	340,400	389,941	49,541
Intergovernmental revenues	311,343	338,003	26,660
Fines, forfeitures and bonds	15,000	15,105	105
Liberty Cajun Music Show	120,500	132,070	11,570
Interest	-	-	-
Miscellaneous	99,900	191,119	91,219
Total revenues	<u>1,805,743</u>	<u>1,950,146</u>	<u>144,403</u>
Expenditures:			
Current -			
General government	889,773	947,439	(57,666)
Public safety	2,094,769	2,144,298	(49,529)
Public works	893,022	877,219	15,803
Health and welfare	32,952	23,775	9,177
Culture and recreation	452,308	452,918	(610)
Other	28,285	28,391	(106)
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>4,391,109</u>	<u>4,474,040</u>	<u>(82,931)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,585,366)</u>	<u>(2,523,894)</u>	<u>61,472</u>
Other financing sources (uses):			
Operating transfers in	2,612,134	2,200,564	(411,570)
Operating transfers out	-	(5,750)	(5,750)
Total other financing sources (uses)	<u>2,612,134</u>	<u>2,194,814</u>	<u>(417,320)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	26,768	(329,080)	(355,848)
Fund balances, beginning	<u>791,076</u>	<u>791,076</u>	<u>-</u>
Fund balances, ending	<u>\$ 817,844</u>	<u>\$ 461,996</u>	<u>\$ (355,848)</u>

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 3,085,000	\$ 2,956,626	\$ (128,374)	\$ 4,003,600	\$ 3,840,534	\$ (163,066)
-	-	-	340,400	389,941	49,541
128,960	196,414	67,454	440,303	534,417	94,114
5,000	4,906	(94)	20,000	20,011	11
-	-	-	120,500	132,070	11,570
37,569	33,294	(4,275)	37,569	33,294	(4,275)
<u>3,000</u>	<u>25,849</u>	<u>22,849</u>	<u>102,900</u>	<u>216,968</u>	<u>114,068</u>
<u>3,259,529</u>	<u>3,217,089</u>	<u>(42,440)</u>	<u>5,065,272</u>	<u>5,167,235</u>	<u>101,963</u>
70,700	143,933	(73,233)	960,473	1,091,372	(130,899)
85,895	133,822	(47,927)	2,180,664	2,278,120	(97,456)
77,500	76,287	1,213	970,522	953,506	17,016
-	12,042	(12,042)	32,952	35,817	(2,865)
100,000	102,755	(2,755)	552,308	555,673	(3,365)
-	-	-	28,285	28,391	(106)
919,600	591,705	327,895	919,600	591,705	327,895
46,000	46,014	(14)	46,000	46,014	(14)
<u>10,000</u>	<u>9,678</u>	<u>322</u>	<u>10,000</u>	<u>9,678</u>	<u>322</u>
<u>1,309,695</u>	<u>1,116,236</u>	<u>193,459</u>	<u>5,700,804</u>	<u>5,590,276</u>	<u>110,528</u>
<u>1,949,834</u>	<u>2,100,853</u>	<u>151,019</u>	<u>(635,532)</u>	<u>(423,041)</u>	<u>212,491</u>
-	5,750	5,750	2,612,134	2,206,314	(405,820)
<u>(2,311,200)</u>	<u>(2,134,711)</u>	<u>176,489</u>	<u>(2,311,200)</u>	<u>(2,140,461)</u>	<u>170,739</u>
<u>(2,311,200)</u>	<u>(2,128,961)</u>	<u>182,239</u>	<u>300,934</u>	<u>65,853</u>	<u>(235,081)</u>
(361,366)	(28,108)	333,258	(334,598)	(357,188)	(22,590)
<u>1,352,946</u>	<u>1,352,946</u>	<u>-</u>	<u>2,144,022</u>	<u>2,144,022</u>	<u>-</u>
<u>\$ 991,580</u>	<u>\$ 1,324,838</u>	<u>\$ 333,258</u>	<u>\$ 1,809,424</u>	<u>\$ 1,786,834</u>	<u>\$ (22,590)</u>

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in
Retained Earnings - All Proprietary Fund Types
Year Ended June 30, 2000

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			2000	1999
Operating revenues:				
Charges for services	\$ 2,640,469	\$ 291,292	\$ 2,931,761	\$ 2,824,566
Other billings to customers	<u>46,392</u>	<u>-</u>	<u>46,392</u>	<u>45,048</u>
Total operating revenues	<u>2,686,861</u>	<u>291,292</u>	<u>2,978,153</u>	<u>2,869,614</u>
Operating expenses:				
Payroll and related benefits	412,333	248,133	660,466	714,696
Gas purchases	744,767	-	744,767	587,789
Supplies and materials	108,262	-	108,262	88,000
Repairs and maintenance	138,909	-	138,909	105,244
Office expenses	32,761	-	32,761	33,454
Professional fees	10,806	-	10,806	11,324
Interest	4,272	-	4,272	-
Insurance	103,063	-	103,063	99,993
Depreciation	382,484	-	382,484	340,842
Bad debts	9,000	-	9,000	5,591
Permits	10,355	-	10,355	9,876
Utilities and telephone	127,915	-	127,915	125,546
Miscellaneous	<u>19,659</u>	<u>-</u>	<u>19,659</u>	<u>38,171</u>
Total operating expenses	<u>2,104,586</u>	<u>248,133</u>	<u>2,352,719</u>	<u>2,160,526</u>
Operating income	<u>582,275</u>	<u>43,159</u>	<u>625,434</u>	<u>709,088</u>
Nonoperating income:				
Grant revenues	50,000	-	50,000	-
Interest earned on investments	14,439	1,728	16,167	19,256
Gain on sale of investments	1,530	-	1,530	34,574
Other income	<u>10,284</u>	<u>-</u>	<u>10,284</u>	<u>4,805</u>
Total nonoperating income	<u>76,253</u>	<u>1,728</u>	<u>77,981</u>	<u>58,635</u>
Income before operating transfers	<u>658,528</u>	<u>44,887</u>	<u>703,415</u>	<u>767,723</u>
Operating transfers:				
Operating transfers in	20,849	-	20,849	10,971
Operating transfers out	<u>(770,502)</u>	<u>-</u>	<u>(770,502)</u>	<u>(993,648)</u>
Total operating transfers	<u>(749,653)</u>	<u>-</u>	<u>(749,653)</u>	<u>(982,677)</u>
Net income (loss)	(91,125)	44,887	(46,238)	(214,954)
Retained earnings, beginning	<u>3,591,444</u>	<u>56,292</u>	<u>3,647,736</u>	<u>3,862,690</u>
Retained earnings, ending	<u>\$ 3,500,319</u>	<u>\$ 101,179</u>	<u>\$ 3,601,498</u>	<u>\$ 3,647,736</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Combined Statement of Cash Flows - All Proprietary Fund Types Year Ended June 30, 2000

	Enterprise Fund	Internal Service Fund	Total (Memorandum Only)	
			2000	1999
Cash flows from operating activities:				
Operating income	\$ 582,275	\$ 43,159	\$ 625,434	\$ 709,088
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	382,484	-	382,484	340,842
Provision for uncollectible accounts	4,000	-	4,000	(4,500)
(Increase) decrease in current assets:				
Accounts receivable	(14,864)	-	(14,864)	16,691
Other receivables	(791)	-	(791)	-
Prepaid items	(3,388)	-	(3,388)	2,986
Due from other funds	-	-	-	(1)
Increase (decrease) in current liabilities:				
Accounts payable	(7,289)	-	(7,289)	8,519
Accrued liabilities	69,202	-	69,202	71,925
Due to other funds	4,702	-	4,702	1,818
Other payables	(253)	-	(253)	115
Customers' deposits	1,650	-	1,650	2,695
Net cash provided by operating activities	<u>1,017,728</u>	<u>43,159</u>	<u>1,060,887</u>	<u>1,150,178</u>
Cash flows from noncapital financing activities:				
Grant revenues	50,000	-	50,000	-
Operating transfers in from other funds	20,849	-	20,849	10,971
Operating transfers out to other funds	<u>(770,502)</u>	<u>-</u>	<u>(770,502)</u>	<u>(993,648)</u>
Net cash used by noncapital financing activities	<u>(699,653)</u>	<u>-</u>	<u>(699,653)</u>	<u>(982,677)</u>
Cash flows from capital and related financing activities:				
Acquisition of plant and equipment	(451,281)	-	(451,281)	(262,538)
Disposal of plant and equipment	1,530	-	1,530	34,917
Proceeds from capital lease	(16,577)	-	(16,577)	72,410
Other	<u>10,284</u>	<u>-</u>	<u>10,284</u>	<u>4,805</u>
Net cash used by capital and related financing activities	<u>(456,044)</u>	<u>-</u>	<u>(456,044)</u>	<u>(150,406)</u>
Cash flows from investing activities:				
Interest on investments	14,439	1,728	16,167	19,256
Purchase of investments	(191,317)	(94,311)	(285,628)	(236,761)
Proceeds from maturities of investments	<u>185,469</u>	<u>51,292</u>	<u>236,761</u>	<u>245,096</u>
Net cash provided (used) by investing activities	<u>8,591</u>	<u>(41,291)</u>	<u>(32,700)</u>	<u>27,591</u>
Net increase (decrease) in cash and cash equivalents	(129,378)	1,868	(127,510)	44,686
Cash and cash equivalents, beginning	<u>275,678</u>	<u>5,000</u>	<u>280,678</u>	<u>235,992</u>
Cash and cash equivalents, ending	<u>\$ 146,300</u>	<u>\$ 6,868</u>	<u>\$ 153,168</u>	<u>\$ 280,678</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Eunice was incorporated in 1909 under the Lawrason Act, and is administered under the Mayor and Board of Aldermen form of government. The accounting and reporting policies of the City of Eunice conform to generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of the more significant accounting policies:

Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities.

Based on the foregoing criteria, the following governmental organizations are not considered part of the City and are thus excluded from the accompanying financial statements for the reasons noted:

The Eunice City Court is operated under the directorship of the Eunice City Judge who is an elected public official. Revenues are derived from court costs. The City cannot significantly influence operations nor does it have responsibility for fiscal management.

The Opelousas-Eunice Public Library is a joint venture between the cities of Opelousas and Eunice. The City of Eunice does not exercise significant influence over management or fiscal matters of the Library. A copy of the joint ventures separate financial statements can be obtained from the Opelousas-Eunice Public Library, P.O. Box 249, Opelousas, LA 70570.

Fund Accounting

The government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

Governmental fund types are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary Fund Types

Proprietary funds which includes enterprise and internal service funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities are provided to outside parties or to other departments or agencies of the government.

Proprietary funds are reported in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that use Proprietary Fund Accounting. This standard requires that all applicable GASB pronouncements, Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989 be applied to proprietary activities unless they (FASB Statements and Interpretations, ARB Opinions, and ARBs) conflict with or contradict GASB pronouncements.

GASB Statement No. 20 also states that for proprietary activities, management may elect to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. Proprietary activities under the control of the City will not elect to apply FASB Statements and Interpretations issued after November 30, 1989, unless they are adopted by GASB.

Fiduciary Fund Types

Fiduciary fund types are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Account Groups

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following two account groups are not "funds".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations. Principal and interest payments on long-term liabilities (bank loans and capital lease obligations) are accounted for in the Debt Service Fund.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resource management focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases and decreases in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and intergovernmental revenues.

Fines and permit revenues and sales tax collections are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types, pension trust funds and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital project funds, therefore, they are not included in this report.

Encumbrances are not recorded in the financial statements.

The budget presented is as amended by the Board of Aldermen. Expenditures may not legally exceed budgeted appropriations by more than 5% at the individual fund level.

Cash and Investments

Cash includes amounts in demand deposits. Investments include certificates of deposit and time deposits. The bank balance of cash and investments is covered by federal depository insurance or by collateral held by the City's fiscal agent in the City's name.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2000, are recorded as prepaid items.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method. The estimated useful lives are as follows:

Gas system	67 years
Sewerage system	40-67 years
Meters & regulators	25 years
Vehicle & other equipment	25 years

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations

Long-term debt expected to be financed by governmental fund types is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund type operations are accounted for in those funds.

Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriated for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Statement of Cash Flows

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 2 LEGAL COMPLIANCE - BUDGETS

The City follows these procedures in establishing the budgetary data reflected in these financial statements:

The City Clerk prepares a proposed budget and submits same to the Mayor and Council no later than fifteen days prior to the beginning of each fiscal year.

A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2000, the City has cash and interest-bearing deposits (book balances) totaling \$3,733,231 as follows:

Demand deposits	\$ 2,800,386
Time deposits	<u>932,845</u>
Total	<u>\$ 3,733,231</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2000, are secured as follows:

Bank balances	<u>\$ 3,733,231</u>
---------------	---------------------

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS (Continued)

Federal deposit insurance	\$ 681,635
Pledged securities (Category 3)	<u>4,479,381</u>
Total	<u>5,161,016</u>
Excess	<u>\$ 1,427,785</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 RECEIVABLES

Receivables at June 30, 2000, consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Total</u>
Taxes	\$ 2,885	\$ 635	\$ -	\$ 3,520
Accounts	-	-	277,593	277,593
Other	<u>1,828</u>	<u>-</u>	<u>791</u>	<u>2,619</u>
Gross receivables	4,713	635	278,384	283,732
Less: allowance for uncollectibles	<u>577</u>	<u>127</u>	<u>27,000</u>	<u>27,704</u>
Net total receivables	<u>\$ 4,136</u>	<u>\$ 508</u>	<u>\$ 251,384</u>	<u>\$ 256,028</u>

Accounts receivable in the Enterprise Fund consists of billed and unbilled receivables relating to gas and sewerage services. Accounts receivable are divided into two billing cycles. Cycle 1 is billed on the first day of the month for the period ending on the 15th of the prior month. Cycle 2 is billed on the 10th day of the month for the period ending on the 23rd of the prior month. Billed receivables at June 30, 2000 were \$173,352 and unbilled receivables were \$104,241.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayer in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessors of St. Landry Parish and Acadia Parish.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 4 RECEIVABLES (Continued)

For the year ended June 30, 2000, taxes of 13.29 mills were levied on property with an assessed valuation totaling \$35,385,430 and were dedicated as follows:

General corporate tax	6.17 mills
Street maintenance	4.86 mills
Sewer maintenance	2.26 mills

Total taxes levied were \$470,277. Taxes receivable at June 30, 2000, were \$2,816.

NOTE 5 FIXED ASSETS

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance June 30, 1999	Additions	Deletions	Balance June 30, 2000
Land and buildings	\$ 5,754,940	\$ -	\$ -	\$ 5,754,940
Industrial facilities	1,175,184	-	-	1,175,184
Autos and equipment	<u>2,052,359</u>	<u>143,318</u>	<u>22,981</u>	<u>2,172,696</u>
	<u>\$ 8,982,483</u>	<u>\$ 143,318</u>	<u>\$ 22,981</u>	<u>\$ 9,102,820</u>

The following is a summary of proprietary fund type fixed assets at June 30, 2000:

	Cost
Gas system	\$ 4,850,581
Sewage system	7,772,856
Autos and trucks	76,603
Equipment	347,718
Meters and regulators	<u>446,865</u>
	13,494,623
Accumulated depreciation	<u>(5,216,151)</u>
Total	<u>\$ 8,278,472</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 6 LONG-TERM DEBT

The following is a summary of debt transactions of the City of Eunice for the year ended June 30, 2000:

	June 30, 1999	Additions	Retirements	June 30, 2000
State loan	\$ 122,559	\$ -	\$ 14,473	\$ 108,086
General obligations bonds	2,830,000	-	540,000	2,290,000
Capital leases, sales tax fund	191,988		46,873	145,115
Other - liability insurance claims payable	<u>12,577</u>	<u>-</u>	<u>12,577</u>	<u>-</u>
	<u>\$ 3,157,124</u>	<u>\$ -</u>	<u>\$ 613,923</u>	<u>\$ 2,543,201</u>

State loan:

The City of Eunice received a loan from the Louisiana Economic Development Corporation for \$200,000. The mortgage is to be paid out of the \$4,000 per month rent the City should receive from Quality Manufacturing of Eunice, Inc. The City will pay \$1,736 per month to LEDC and deposit the remaining in an escrow fund

\$ 108,086

Bonds payable at June 30, 2000, is comprised of the following individuals issues:

General Obligation Bonds (secured by proceeds of a 2.2% sales and use tax):

Public Improvements Bonds, Series ST-1978 refunded as Series St-1992, dated 1/1/78, original issue of \$3,000,000, reitred annually invarious installment amounts, bearing interest at 5.6% to 6.0% per annum, final maturity at 1/1/03

\$ 695,000

Public Improvements Bonds, Series ST-1992, dated 9/1/92, original issue of \$2,190,000, retired annually in various installment amounts, bearing interest at 4.75% to 6% per annum, final maturity at 1/1/03

920,000

Total Public Improvements Bonds, Series, ST-1992

1,615,000

Public Improvements Bonds, Series ST-1997, dated 5/1/97, original issue of \$810,000, retired annually in various installment amounts, bearing interest at 4.10% to 5.40% per annu, final maturity at 7/1/08

675,000

\$ 2,290,000

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 6 LONG-TERM DEBT (Continued)

Capital leases:

Purchase of equipment under capital lease in the amount of \$109,750 payable in 60 monthly installments of \$1,800, including interest and one final installment of \$29,131, payable from the Sales Tax Fund \$ 32,158

Purchase of equipment under capital lease in the amount of \$152,909 payable with a downpayment of \$2,197 and 60 monthly installments of \$2,841, including interest, payable from the Sales Tax Fund 112,957
\$ 145,115

The annual requirements to amortize all debt outstanding at June 30, 2000, including interest payments of \$326,322 are as follows:

Year Ending June 30,	General Obligation	State Loan	Capital Leases	Total
2001	\$ 695,183	\$ 109,088	\$ 66,431	\$ 870,702
2002	691,056	-	34,092	725,148
2003	689,495	-	34,092	723,587
2004	103,720	-	19,887	123,607
2005	104,720	-	-	104,720
Thereafter	<u>321,759</u>	<u>-</u>	<u>-</u>	<u>321,759</u>
	<u>\$ 2,605,933</u>	<u>\$ 109,088</u>	<u>\$ 154,502</u>	<u>\$ 2,869,523</u>

The Debt Service Fund has \$1,185,363 available as of June 30, 2000 to service these debts.

NOTE 7 FLOW OF FUNDS - RESTRICTIONS ON USE - SALES TAX REVENUES

The City of Eunice levies a 2.2% sales and use tax dedicated as follows:

Proceeds of the 1% sales and use tax levied in 1978, are dedicated as follows:

Under the terms of the bond indentures, all monies collected are deposited into a separate account.

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 7 FLOW OF FUNDS - RESTRICTIONS ON USE - SALES TAX REVENUES (Continued)

A reserve fund is established by monthly transfers from the sales tax fund until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for providing additional general fund revenues and for the construction, operations and maintenance of capital improvements.

Proceeds of the 1% sales and use levied in 1962 are dedicated as follows:

Under the terms of the bond indentures, all monies collected are deposited into a separate account.

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds.

A reserve fund is established by monthly transfers from the sales tax fund until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for:

Opening, constructing, paving, resurfacing and improving streets, sidewalks and bridges; constructing and purchasing street lighting facilities; constructing and improving drains, drainage canals and subsurface drainage; constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; constructing and purchasing garbage disposal and health and sanitation equipment; constructing public buildings; purchasing, constructing and improving public parks and recreational facilities and acquiring the necessary equipment and furnishings therefore; purchasing equipment for civil defense; constructing, acquiring or improving any work of permanent public improvement; and purchasing and acquiring all equipment and furnishing for the public works, buildings, improvements and facilities.

Providing funds, not to exceed ten percent (10%) of the proceeds of said tax for such year, to defray costs of operating and maintaining a public library.

Providing funds, not to exceed ten percent (10%) of the proceeds of said tax for such year, for the payment of salaries of municipal employees.

Providing funds for the Homestead Exemption Fund.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 7 FLOW OF FUNDS - RESTRICTIONS ON USE - SALES TAX REVENUES (Continued)

Proceeds of the .2% sales and use tax levied in 1988 are dedicated as follows:

Under the terms of the Bond Indenture for the Public Improvement Bond, ST-1988, all monies collected are deposited into a sales tax fund account.

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds, in amounts equal to one-sixth of the interest and one-twelfth of the bonds becoming due in the next maturity.

A reserve fund is established by monthly transfers from the sales tax fund of \$1,000 until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal facilities.

NOTE 8 PENSION COST

Municipal Employees' Retirement System

Membership in the retirement system is mandatory for all employees who are employed on a permanent basis working at least 35 hours per week. However, new employees over 60 years of age and employees covered by another retirement system are not eligible. Employees are eligible to retire at any age with thirty or more years of creditable service or age 55 with twenty-five years of creditable service. Creditable service means all periods of time for which credit is allowed towards any benefits. Upon retirement, members are entitled to a retirement benefit, payable monthly in an amount equal to three percent of the member's final compensation multiplied by years of creditable service, provided however, that: (1) any member who has held an elective office in a municipality which is a participating employer shall be paid an additional annuity equal to one-half of one percent for each year of such elected service, (2) for any employee who was a member only of the supplemental plan prior to the revision date, the benefit earned for service credited prior to the revision date shall be determined on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation of each year of service credited after the revision date; and (3) the benefit of the Section shall not exceed one hundred percent of a member's final salary.

Final compensation means the average monthly earnings during the highest thirty-six months or joined months if service has interrupted. Final salary means the average monthly earnings of a member during the twelve month period immediately preceding his death or the establishment of Plan A. The System also provides death and disability benefits which require five years of creditable service for eligibility.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST (Continued)

The City has several pension plans covering substantially all of its employees, as follows:

- Municipal Employees' Retirement System of Louisiana
- State of Louisiana - Municipal Police Employees' Retirement System
- State of Louisiana - Firefighters' Retirement System
- Louisiana State Employees' Retirement System

Substantially all employees are covered under the Municipal Employees' Retirement System of Louisiana except for firemen, policemen, and judges which are covered under the Firefighters' Retirement System, Municipal Police Employees' Retirement System, and Louisiana State Employees' Retirement System, respectively. Details concerning these plans follow:

Municipal Employees' Retirement System of Louisiana

Plan description:

The Municipal Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer public employee retirement system (PERS) as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809.

Funding policy:

Plan members are required to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 5.75% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the year ended June 30, 2000 was \$75,746, equal to the required contributions for the year.

State of Louisiana - Municipal Police Employees' Retirement System

Plan description:

The Municipal Police Employees' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS).

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST (Continued)

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing they do not have to pay social security and providing they meet the statutory criteria. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Municipal Police Employee's Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Police Employee's Retirement System, P.O. Box 94095, Capital Station, Baton Rouge, LA 70809-9095.

Funding policy:

Plan members are required to contribute 7.5% of their annual covered salary and the City is required to contribute 9.0% as established by the state statute. The City's contributions to the System for the year ended June 30, 2000 was \$68,027, equal to the required contributions for the year.

State of Louisiana - Firefighters' Retirement System

Plan description:

The Firefighters' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS), as established and provided for by R.S. 11:2251 through 2269 of the Louisiana Revised Statutes (LRS).

Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another public funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credit service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Firefighter's Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Firefighter's Retirement System, P.O. Box 94095, Capitol Station, Baton Rouge, LA 70804-9095.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST (Continued)

Funding policy:

Plan members are required to contribute 8.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 9.0% of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the year ended June 30, 2000 was \$29,707, equal to the required contributions for each year.

Louisiana State Employees' Retirement System

The City Judge is a member of the Louisiana State Employees' Retirement System. Under the plan, the Judge contributes 11.5% and the City contributes 12.3% of the Judge's compensation. The City's contribution for the current year amounted to \$2,117.

NOTE 9 INTERFUND RECEIVABLES, PAYABLES

	Receivables	Payables
General Fund	\$ -	\$ 105,471
Special Revenue Funds -		
Sales Tax Fund	172,008	-
Court Witness Fees Fund	226	-
Summer Food Program Fund	-	5,282
Criminal Task Force Grant	-	14,257
Enterprise Fund -		
Utility Fund	824	11,590
Fiduciary Fund -		
Payroll Fund	47,217	-
Capital Projects Fund -		
LCDBG Street Project	-	832
Debt Service -		
Public Improvement Bonds (ST-1978) Fund	-	82,843
	<u>\$ 220,275</u>	<u>\$ 220,275</u>

NOTE 10 RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets applicable to customers' deposits at June 30, 2000 and 1999 are as follows:

	2000	1999
Customers' deposits:		
Cash	\$ 43,431	\$ 42,189
Investments, at cost	<u>191,317</u>	<u>185,469</u>
	<u>\$ 234,748</u>	<u>\$ 227,658</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 11 OPERATING LEASE

The City is committed under various two year and three year leases for vehicles. The leases are considered for accounting purposes to be operating leases. Total lease expenditures for the year ended June 30, 2000 and 1999, amounted to \$25,113 and \$30,140, respectively. Future minimum lease payments under these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2001	\$ 26,571
2002	<u>9,257</u>
	<u>\$ 35,828</u>

NOTE 12 ENTERPRISE FUND OPERATIONS

Operations of the City of Eunice Utility System consist of a gas distribution system and sewer utility system. Operating results of the individual utilities for the years ended June 30, 2000 and 1999 were as follows:

	<u>Gas Department</u>		<u>Sewer Department</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Operating Revenues	\$ 1,516,617	\$ 1,411,673	\$ 1,170,244	\$ 1,174,526
Operating Expenses	<u>1,274,203</u>	<u>1,125,993</u>	<u>830,383</u>	<u>715,323</u>
Operating Income	<u>\$ 242,414</u>	<u>\$ 285,680</u>	<u>\$ 339,861</u>	<u>\$ 459,203</u>

Operating expenses above include costs which cannot be directly associated with a single department; thus these expenses have been allocated on the basis of gross utility sales. For the fiscal year ended June 30, 2000, the Gas and Sewer Utilities provided services to 4,103 and 4,462 customers, respectively.

NOTE 13 SELF INSURANCE FUND

The City has established a risk management program for its group health and life insurance coverage and accounts for its in the Group Insurance Fund, an Internal Service Fund. This program provides employees and their dependents health benefits up to \$2,500,000 in a lifetime maximum. The City purchases commercial insurance for claims in excess of \$10,000 per individual per year of coverage provided by the program.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 13 SELF INSURANCE FUND (Continued)

The City adopted the provisions of GASB Statement Number 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues." Funds of the City participate in the program and make payments to the Group Insurance Fund based on premiums needed to pay prior and current year claims, administrative cost, and commercial insurance premiums. GASB Statement Number 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The net claims liability at June 30, 2000 is \$-0-.

NOTE 14 LEASE AGREEMENT

The City of Eunice has renewed a lease agreement with Louisiana Sewn Products, Inc. for the lease of the Jantzen building at \$4,000 per month.

NOTE 15 FUND BALANCE DEFICIT

The Criminal Task Force Grant Fund and the LCDBG Fund have fund balance deficits of \$14,257 and \$832, respectively, for the year ended June 30, 2000.

SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF EUNICE, LOUISIANA
General Fund

Comparative Balance Sheets
June 30, 2000 and 1999

ASSETS

	<u>2000</u>	<u>1999</u>
Cash	\$ 547,011	\$ 929,701
Ad valorem taxes receivable (net of allowance for uncollectible taxes of \$256 at 1999 and \$213 at 1998)	2,308	1,023
Other receivables	1,828	-
Due from other funds	-	52,429
Due from other governmental units	87,572	26,734
Prepaid items	<u>77,035</u>	<u>47,903</u>
Total assets	<u>\$ 715,754</u>	<u>\$ 1,057,790</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$ 57,288	\$ 94,535
Accrued liabilities	73,629	68,944
Deferred revenue	17,370	-
Due to other funds	<u>105,471</u>	<u>103,235</u>
Total liabilities	<u>253,758</u>	<u>266,714</u>
Fund balance:		
Reserved for prepaid items	77,035	47,903
Unreserved, undesignated	<u>384,961</u>	<u>743,173</u>
	<u>461,996</u>	<u>791,076</u>
Total liabilities and fund balance	<u>\$ 715,754</u>	<u>\$ 1,057,790</u>

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for the Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999
	Budget	Actual		
Revenues:				
Taxes	\$ 918,600	\$ 883,908	\$ (34,692)	\$ 860,681
Licenses and permits	340,400	389,941	49,541	373,797
Intergovernmental revenues	311,343	338,003	26,660	271,125
Fines and forfeitures	15,000	15,105	105	13,051
Liberty Cajun Music Show	120,500	132,070	11,570	65,230
Interest	-	-	-	226
Miscellaneous	99,900	191,119	91,219	156,225
Total revenues	<u>1,805,743</u>	<u>1,950,146</u>	<u>144,403</u>	<u>1,740,335</u>
Expenditures:				
Current -				
General government	889,773	947,439	(57,666)	857,485
Public safety	2,094,769	2,144,298	(49,529)	1,941,000
Public works	901,081	877,219	23,862	831,604
Health and welfare	24,893	23,775	1,118	21,185
Culture and recreation	452,308	452,918	(610)	494,881
Other	28,285	28,391	(106)	26,668
Capital outlay	-	-	-	6,718
Total expenditures	<u>4,391,109</u>	<u>4,474,040</u>	<u>(82,931)</u>	<u>4,179,541</u>
Deficiency of revenues over expenditures	<u>(2,585,366)</u>	<u>(2,523,894)</u>	<u>61,472</u>	<u>(2,439,206)</u>
Other financing sources (uses):				
Operating transfers in	2,612,134	2,200,564	(411,570)	2,443,512
Operating transfers out	-	(5,750)	(5,750)	-
Total other financing sources	<u>2,612,134</u>	<u>2,194,814</u>	<u>(417,320)</u>	<u>2,443,512</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	26,768	(329,080)	(355,848)	4,306
Fund balance, beginning	<u>791,076</u>	<u>791,076</u>	<u>-</u>	<u>786,770</u>
Fund balance, ending	<u>\$ 817,844</u>	<u>\$ 461,996</u>	<u>\$ (355,848)</u>	<u>\$ 791,076</u>

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Revenues and Other Sources
Compared to Budget (GAAP Basis)
Year Ended June 30, 2000
With Comparative Actual Amounts for the Year Ended June 30, 1999

	2000		Variance -	
	Budget	Actual	Favorable (Unfavorable)	1999
Revenues:				
Taxes -				
Property taxes	\$ 398,800	\$ 395,733	\$ (3,067)	\$ 379,562
Interest and penalty	11,000	15,725	4,725	13,858
Franchise fees	508,800	472,450	(36,350)	467,261
Licenses and permits -				
Occupational licenses	305,000	353,961	48,961	335,941
Liquor licenses	18,000	18,120	120	19,650
Building permit fees	17,400	17,860	460	18,206
Intergovernmental revenues -				
Grant revenue	37,043	30,739	(6,304)	2,250
Video poker	85,000	110,509	25,509	111,672
Tobacco tax	68,000	54,412	(13,588)	54,412
Beer tax	25,000	27,603	2,603	26,594
Correction receipts	45,000	40,273	(4,727)	48,972
Housing authority payment in lieu of tax	30,300	32,807	2,507	7,600
Fire insurance tax	21,000	41,660	20,660	19,625
Fines and forfeits -				
Court fines	15,000	15,105	105	13,051
Liberty Cajun Music Show	120,500	132,070	11,570	65,230
Interest and penalty	-	-	-	226
Miscellaneous	92,500	183,714	91,214	149,375
Fireworks donations	7,400	7,405	5	6,850
Total revenues	<u>1,805,743</u>	<u>1,950,146</u>	<u>144,403</u>	<u>1,740,335</u>
Other financing sources:				
Transfers from -				
Operating transfer in	<u>2,612,134</u>	<u>2,200,564</u>	<u>(411,570)</u>	<u>2,443,512</u>
Total revenues and other sources	<u>\$ 4,417,877</u>	<u>\$ 4,150,710</u>	<u>\$ (267,167)</u>	<u>\$ 4,183,847</u>

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis)
Year Ended June 30, 2000
With Comparative Actual Amounts for the Year Ended June 30, 1999

	2000		Variance -	
	Budget	Actual	Favorable (Unfavorable)	1999
General government:				
Salaries	\$ 309,233	\$ 313,736	\$ (4,503)	\$ 287,186
Payroll taxes	30,202	33,868	(3,666)	23,524
Group insurance	86,525	90,920	(4,395)	56,902
Professional fees	19,347	28,261	(8,914)	25,143
Tax roll preparation	8,418	8,418	-	6,741
Advertising	13,903	13,697	206	16,914
Utilities and telephone	71,326	69,597	1,729	63,229
Street lighting	100,461	101,224	(763)	94,794
Main Street Program expense	-	6,115	(6,115)	-
City Hall maintenance	21,400	24,672	(3,272)	54,160
Office expenses	11,739	13,333	(1,594)	20,208
Dues	5,932	5,437	495	5,971
Travel and meetings	26,681	17,586	9,095	12,889
General insurance	33,236	32,832	404	33,261
City Court	78,825	70,551	8,274	74,569
Civil Service Board	1,876	2,250	(374)	1,800
Drug testing	400	364	36	545
Industrial inducement	6,292	10,347	(4,055)	8,781
Zoning Board	752	752	-	761
Coroner	1,000	2,100	(1,100)	3,922
Materials and supplies	34,858	34,420	438	13,972
Elections	-	-	-	2,072
Litigation claims	-	-	-	6,552
Union Pacific train derailment expense	-	32,637	(32,637)	-
Other	<u>27,367</u>	<u>34,322</u>	<u>(6,955)</u>	<u>43,589</u>
Total government	<u>889,773</u>	<u>947,439</u>	<u>(57,666)</u>	<u>857,485</u>
Public safety:				
Police -				
Salaries	891,642	893,142	(1,500)	852,315
Payroll taxes	14,925	10,311	4,614	8,633
Retirement and pension	139,528	138,969	559	133,172
Jail expense	81,629	89,476	(7,847)	36,287
Telephone and utilities	8,704	8,247	457	10,175
Supplies and materials	29,772	30,366	(594)	31,891
General insurance	159,857	156,001	3,856	119,311
Group insurance	96,000	101,315	(5,315)	67,603
Contract labor	-	-	-	1,000
Transportation	83,961	79,655	4,306	60,879
Drug testing	415	365	50	703
Other	<u>50,436</u>	<u>42,357</u>	<u>8,079</u>	<u>46,172</u>
Total police	<u>1,556,869</u>	<u>1,550,204</u>	<u>6,665</u>	<u>1,368,141</u>

(Continued)

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2000

With Comparative Actual Amounts for the Year Ended June 30, 1999

	2000		Variance -	
	Budget	Actual	Favorable (Unfavorable)	1999
Fire -				
Salaries	354,731	395,063	(40,332)	378,376
Volunteer firemen	15,019	17,509	(2,490)	14,845
Payroll taxes	22,802	24,623	(1,821)	28,288
Telephone and utilities	12,500	10,424	2,076	10,803
Repairs and maintenance	14,885	15,828	(943)	21,152
Travel and meetings	400	450	(50)	142
Transportation	5,745	4,913	832	2,575
Supplies and materials	14,843	14,829	14	13,326
Drug testing	238	168	70	244
General insurance	54,297	61,121	(6,824)	69,909
Group insurance	40,017	46,766	(6,749)	30,947
Other	<u>2,423</u>	<u>2,400</u>	<u>23</u>	<u>2,252</u>
Total fire	<u>537,900</u>	<u>594,094</u>	<u>(56,194)</u>	<u>572,859</u>
Total public safety	<u>2,094,769</u>	<u>2,144,298</u>	<u>(49,529)</u>	<u>1,941,000</u>
Public works:				
Streets -				
Salaries	514,883	487,894	26,989	436,143
Payroll taxes	7,585	7,373	212	28,838
Repairs and maintenance	151,199	153,212	(2,013)	118,911
Signs and materials	53,090	49,345	3,745	56,640
General insurance	116,656	122,236	(5,580)	105,756
Group insurance	34,985	36,500	(1,515)	20,154
Drug testing	912	542	370	813
Other	<u>13,712</u>	<u>13,250</u>	<u>462</u>	<u>55,623</u>
Total streets	<u>893,022</u>	<u>870,352</u>	<u>22,670</u>	<u>822,878</u>
Sanitation -				
Vehicles and equipment maintenance	8,059	6,867	1,192	8,616
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>110</u>
Total sanitation	<u>8,059</u>	<u>6,867</u>	<u>1,192</u>	<u>8,726</u>
Total public works	<u>901,081</u>	<u>877,219</u>	<u>23,862</u>	<u>831,604</u>
Health and welfare:				
Animal control	<u>24,893</u>	<u>23,775</u>	<u>1,118</u>	<u>21,185</u>

(Continued)

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2000

With Comparative Actual Amounts for the Year Ended June 30, 1999

	2000		Variance -	
	Budget	Actual	Favorable (Unfavorable)	1999
Culture and recreation:				
Salaries and payroll taxes	25,338	22,444	2,894	24,974
Telephone and utilities	16,120	19,122	(3,002)	17,376
Supplies	6,968	10,257	(3,289)	11,191
General insurance	10,817	5,509	5,308	4,406
Group insurance	4,000	4,184	(184)	2,814
Maintenance	27,417	20,291	7,126	27,734
Library maintenance	13,611	14,160	(549)	14,263
Neighborhood centers	133,218	131,990	1,228	134,758
Contract labor	74,209	64,114	10,095	75,667
Liberty Cajun Music Show and Liberty Cultural Association	86,705	109,160	(22,455)	116,647
Other	10,889	8,925	1,964	38,036
Museum	33,416	32,522	894	19,400
Festival expenses	2,100	2,740	(640)	815
July 4th fireworks	7,500	7,500	-	6,800
Total culture and recreation	<u>452,308</u>	<u>452,918</u>	<u>(610)</u>	<u>494,881</u>
Other:				
Airport expenditures	<u>28,285</u>	<u>28,391</u>	<u>(106)</u>	<u>26,668</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,718</u>
Total expenditures	4,391,109	4,474,040	(82,931)	4,179,541
Other financing uses:				
Operating transfers out	<u>-</u>	<u>5,750</u>	<u>(5,750)</u>	<u>-</u>
Total expenditures and other uses	<u>\$ 4,391,109</u>	<u>\$ 4,479,790</u>	<u>\$ (88,681)</u>	<u>\$ 4,179,541</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

SALES TAX FUND

To account for the receipt and use of proceeds of the City's 2.2% sales and use tax.

SEWER MAINTENANCE FUND

To account for the receipt and use of proceeds of a 2.26 mill ad valorem tax.

ST. LANDRY & ACADIA PARISH FIRE DISTRICT

To account for receipt and expenditures associated with the joint fire fighting effort.

SUMMER FOOD PROGRAM

To account for funds received under Federal grants and expenditures associated with providing meals to school age children during the summer.

DEDICATED ESCROW FUND

To account for the payment of small liability claims of the City.

PUBLIC SAFETY TESTING FUND

To account for the receipt and expenditures associated with court fees collected in connection with drug and alcohol related driving offenses.

COURT APPEARANCE BOND FUND

To account for the receipt and expenditures associated with the receipt of appearance bonds collected on arrests and traffic citations.

WITNESS FEES FUND

To account for the receipt and expenditures associated with witness fees collected by City Court.

CRIMINAL TASK FORCE GRANT

To account for the receipts and expenditures associated with funds received from the United States Department of Justice for the purchase of police equipment and payment of overtime for police officers.

LAW ENFORCEMENT BLOCK GRANT

To account for the receipt and expenditures associated with funds received from the Bureau of Justice for the hiring of non-administrative law enforcement officers and support personnel.

CITY OF EUNICE, LOUISIANA
All Special Revenue Funds

Combining Balance Sheet
June 30, 2000
With Comparative Actual Totals for June 30, 1999

	Sales Tax Fund	Sewer Maintenance Fund	St. Landry & Acadia Parish Fire District	Summer Food Program	Dedicated Escrow Fund
ASSETS					
Cash	\$ 803,954	\$ 47,222	\$ 16,956	\$ 5,398	\$ 389
Investments, at cost	335,365	-	-	-	-
Ad valorem taxes receivable (net of allowance for uncollectible taxes of \$127)	-	508	-	-	-
Other receivables	-	-	-	-	-
Due from other funds	172,008	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 1,311,327</u>	<u>\$ 47,730</u>	<u>\$ 16,956</u>	<u>\$ 5,398</u>	<u>\$ 389</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	80,463	-	-	-	-
Due to other funds	-	-	-	5,282	-
Total liabilities	<u>80,463</u>	<u>-</u>	<u>-</u>	<u>5,282</u>	<u>-</u>
Fund balances (deficits):					
Reserved for prepaid items	-	-	-	-	-
Unreserved, undesignated	<u>1,230,864</u>	<u>47,730</u>	<u>16,956</u>	<u>116</u>	<u>389</u>
Total fund balances (deficits)	<u>1,230,864</u>	<u>47,730</u>	<u>16,956</u>	<u>116</u>	<u>389</u>
Total liabilities and fund balances	<u>\$ 1,311,327</u>	<u>\$ 47,730</u>	<u>\$ 16,956</u>	<u>\$ 5,398</u>	<u>\$ 389</u>

Public Safety Testing Fund	Court Appearance Bond Fund	Witness Fees Fund	Criminal Task Force Grant	Law Enforcement Block Grant	Totals	
					2000	1999
\$ 3,478	\$ 2,238	\$ 1,238	\$ -	\$ 36,126	\$ 916,999	\$ 730,735
-	-	-	-	-	335,365	517,638
-	-	-	-	-	-	-
-	-	-	-	-	508	210
-	-	-	-	-	-	40,000
-	-	226	-	-	172,234	185,439
-	-	-	-	-	-	729
<u>\$ 3,478</u>	<u>\$ 2,238</u>	<u>\$ 1,464</u>	<u>\$ -</u>	<u>\$ 36,126</u>	<u>\$ 1,425,106</u>	<u>\$ 1,474,751</u>
\$ -	\$ 266	\$ -	\$ -	\$ -	\$ 266	\$ 67,950
-	-	-	-	-	80,463	-
-	-	-	14,257	-	19,539	53,855
-	266	-	14,257	-	100,268	121,805
-	-	-	-	-	-	729
<u>3,478</u>	<u>1,972</u>	<u>1,464</u>	<u>(14,257)</u>	<u>36,126</u>	<u>1,324,838</u>	<u>1,352,217</u>
<u>3,478</u>	<u>1,972</u>	<u>1,464</u>	<u>(14,257)</u>	<u>36,126</u>	<u>1,324,838</u>	<u>1,352,946</u>
<u>\$ 3,478</u>	<u>\$ 2,238</u>	<u>\$ 1,464</u>	<u>\$ -</u>	<u>\$ 36,126</u>	<u>\$ 1,425,106</u>	<u>\$ 1,474,751</u>

CITY OF EUNICE, LOUISIANA
All Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2000
With Comparative Actual Totals for June 30, 1999

	Sales Tax Fund	Sewer Maintenance Fund	St. Landry & Acadia Parish Fire District	Summer Food Program
Revenues:				
Taxes	\$ 2,873,616	\$ 83,010	\$ -	\$ -
Intergovernmental revenues	34,620	-	89,832	12,952
Fines, forfeitures and bonds	-	-	-	-
Interest	30,349	1,376	597	-
Miscellaneous	<u>25,849</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>2,964,434</u>	<u>84,386</u>	<u>90,429</u>	<u>12,952</u>
Expenditures:				
Current -				
General government	120,662	-	-	-
Public safety	-	-	92,181	-
Public works	-	76,287	-	-
Health and welfare	-	-	-	12,042
Culture and recreation	102,755	-	-	-
Capital outlay	591,705	-	-	-
Debt service -				
Principal retirement	46,014	-	-	-
Interest charges	<u>9,678</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>870,814</u>	<u>76,287</u>	<u>92,181</u>	<u>12,042</u>
Excess (deficiency) of revenues over expenditures	<u>2,093,620</u>	<u>8,099</u>	<u>(1,752)</u>	<u>910</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	(2,134,711)	-	-	-
Proceeds from capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,134,711)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(41,091)	8,099	(1,752)	910
Fund balances (deficits), beginning	<u>1,271,955</u>	<u>39,631</u>	<u>18,708</u>	<u>(794)</u>
Fund balances (deficits), ending	<u>\$ 1,230,864</u>	<u>\$ 47,730</u>	<u>\$ 16,956</u>	<u>\$ 116</u>

Dedicated Escrow Fund	Public Safety Testing Fund	Court Appearance Bond Fund	Witness Fees Fund	Criminal Task Force Grant	Law Enforcement Block Grant	Totals	
						2000	1999
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,956,626	\$ 2,948,005
-	1,910	-	5,348	-	51,752	196,414	262,554
-	-	4,906	-	-	-	4,906	4,482
393	88	-	16	73	402	33,294	38,857
-	-	-	-	-	-	25,849	21,351
<u>393</u>	<u>1,998</u>	<u>4,906</u>	<u>5,364</u>	<u>73</u>	<u>52,154</u>	<u>3,217,089</u>	<u>3,275,249</u>
18,346	-	-	4,925	-	-	143,933	118,269
-	1,385	4,148	-	14,330	21,778	133,822	169,206
-	-	-	-	-	-	76,287	69,729
-	-	-	-	-	-	12,042	41,330
-	-	-	-	-	-	102,755	104,319
-	-	-	-	-	-	591,705	949,698
-	-	-	-	-	-	46,014	30,545
-	-	-	-	-	-	9,678	9,630
<u>18,346</u>	<u>1,385</u>	<u>4,148</u>	<u>4,925</u>	<u>14,330</u>	<u>21,778</u>	<u>1,116,236</u>	<u>1,492,726</u>
<u>(17,953)</u>	<u>613</u>	<u>758</u>	<u>439</u>	<u>(14,257)</u>	<u>30,376</u>	<u>2,100,853</u>	<u>1,782,523</u>
-	-	-	-	-	5,750	5,750	20,166
-	-	-	-	-	-	(2,134,711)	(2,170,478)
-	-	-	-	-	-	-	233,555
-	-	-	-	-	5,750	(2,128,961)	(1,916,757)
(17,953)	613	758	439	(14,257)	36,126	(28,108)	(134,234)
<u>18,342</u>	<u>2,865</u>	<u>1,214</u>	<u>1,025</u>	<u>-</u>	<u>-</u>	<u>1,352,946</u>	<u>1,487,180</u>
<u>\$ 389</u>	<u>\$ 3,478</u>	<u>\$ 1,972</u>	<u>\$ 1,464</u>	<u>\$ (14,257)</u>	<u>\$ 36,126</u>	<u>\$ 1,324,838</u>	<u>\$ 1,352,946</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000

With Comparative Actual Totals for June 30, 1999

	2000		Variance -	
	Budget	Actual	Favorable (Unfavorable)	1999
Revenues:				
Taxes	\$ 3,085,000	\$ 2,956,626	\$ (128,374)	\$ 2,948,005
Intergovernmental revenues	128,960	196,414	67,454	262,554
Fines and bonds	5,000	4,906	(94)	4,482
Interest	37,569	33,294	(4,275)	38,857
Miscellaneous	<u>3,000</u>	<u>25,849</u>	<u>22,849</u>	<u>21,351</u>
Total revenues	<u>3,259,529</u>	<u>3,217,089</u>	<u>(42,440)</u>	<u>3,275,249</u>
Expenditures:				
Current -				
General government	70,700	143,933	(73,233)	118,269
Public safety	85,895	133,822	(47,927)	169,206
Public works	77,500	76,287	1,213	69,729
Health and welfare	-	12,042	(12,042)	41,330
Culture and recreation	100,000	102,755	(2,755)	104,319
Capital outlay	919,600	591,705	327,895	949,698
Debt service -				
Principal retirement	46,000	46,014	(14)	30,545
Interest charges	<u>10,000</u>	<u>9,678</u>	<u>322</u>	<u>9,630</u>
Total expenditures	<u>1,309,695</u>	<u>1,116,236</u>	<u>193,459</u>	<u>1,492,726</u>
Excess of revenues over expenditures	<u>1,949,834</u>	<u>2,100,853</u>	<u>151,019</u>	<u>1,782,523</u>
Other financing sources (uses):				
Operating transfers in	-	5,750	5,750	20,166
Operating transfers out	(2,311,200)	(2,134,711)	176,489	(2,170,478)
Proceeds from capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,555</u>
Total other financing uses	<u>(2,311,200)</u>	<u>(2,128,961)</u>	<u>182,239</u>	<u>(1,916,757)</u>
Deficiency of revenues and other sources over expenditures and other uses	(361,366)	(28,108)	333,258	(134,234)
Fund balances, beginning	<u>1,352,946</u>	<u>1,352,946</u>	<u>-</u>	<u>1,521,180</u>
Fund balances, ending	<u>\$ 991,580</u>	<u>\$ 1,324,838</u>	<u>\$ 333,258</u>	<u>\$ 1,386,946</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of principal and interest on general obligation bonds.

PUBLIC IMPROVEMENT BONDS

To accumulate monies for the retirement of \$5,485,000 of bonds due in various installments and interest rates for various public improvements and financed by proceeds of sales and use taxes.

STATE LOAN

To accumulate monies for the payment of \$200,000 loan from Louisiana Economic Development Corporation used to purchase a manufacturing facility located in the City for lease.

CITY OF EUNICE, LOUISIANA
Debt Service Funds

Combining Balance Sheet
June 30, 2000
With Comparative Actual Amounts for the Year Ended June 30, 1999

	Public Improvement Bonds		State Loan	Totals	
	Series ST-1997	Series ST-1992		2000	1999
ASSETS					
Bond and interest redemption funds:					
Cash and cash equivalents	\$ 15,332	\$ 320,417	\$ 179,784	\$ 515,533	\$ 460,141
Bond reserve funds:					
Investments, at cost	<u>115,579</u>	<u>625,949</u>	<u>-</u>	<u>741,528</u>	<u>725,674</u>
Total assets	<u>\$ 130,911</u>	<u>\$ 946,366</u>	<u>\$ 179,784</u>	<u>\$ 1,257,061</u>	<u>\$ 1,185,815</u>
LIABILITIES AND FUND BALANCES					
Due to other funds	\$ 82,843	\$ -	\$ -	\$ 82,843	\$ 82,843
Fund balances:					
Reserved for debt service	<u>48,068</u>	<u>946,366</u>	<u>179,784</u>	<u>1,174,218</u>	<u>1,102,973</u>
Total liabilities and fund balances	<u>\$ 130,911</u>	<u>\$ 946,366</u>	<u>\$ 179,784</u>	<u>\$ 1,257,061</u>	<u>\$ 1,185,816</u>

CITY OF EUNICE, LOUISIANA
Debt Service Funds

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
Year Ended June 30, 2000
With Comparative Actual Amounts for the Year Ended June 30, 1999

	Public Improvement Bonds		State Loan	Totals	
	Series ST-1977	Series ST-1992		2000	1999
Revenues:					
Interest	\$ 5,880	\$ 39,224	\$ 4,452	\$ 49,556	\$ 47,334
Miscellaneous -					
Industrial lease payments	-	-	48,000	48,000	48,000
Total revenues	<u>5,880</u>	<u>39,224</u>	<u>52,452</u>	<u>97,556</u>	<u>95,334</u>
Expenditures -					
Debt service:					
Principal retirement	65,000	475,000	14,473	554,473	516,484
Interest paid	37,135	109,860	8,090	155,085	183,958
Paying agent fees	-	553	-	553	688
Total expenditures	<u>102,135</u>	<u>585,413</u>	<u>22,563</u>	<u>710,111</u>	<u>701,130</u>
Excess (deficiency) of revenues over expenditures	<u>(96,255)</u>	<u>(546,189)</u>	<u>29,889</u>	<u>(612,555)</u>	<u>(605,796)</u>
Other financing sources (uses):					
Operating transfers in	99,091	601,200	-	700,291	613,278
Operating transfers out	-	(16,491)	-	(16,491)	(6,643)
Total other financing sources	<u>99,091</u>	<u>584,709</u>	<u>-</u>	<u>683,800</u>	<u>606,635</u>
Excess of revenues and other sources over expenditures and other uses	<u>2,836</u>	<u>38,520</u>	<u>29,889</u>	<u>71,245</u>	<u>839</u>
Fund balances, beginning	<u>45,232</u>	<u>907,846</u>	<u>149,895</u>	<u>1,102,973</u>	<u>1,102,134</u>
Fund balances, ending	<u>\$ 48,068</u>	<u>\$ 946,366</u>	<u>\$ 179,784</u>	<u>\$ 1,174,218</u>	<u>\$ 1,102,973</u>

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the acquisition and construction of major facilities other than those financed by proprietary funds and trust funds.

CITY HALL CONSTRUCTION FUND

This fund is used to account for expenditures associated with the maintenance of the Eunice Municipal Complex.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT FUND (LCDBG)

This fund is used to account for expenditures associated with street improvements financed by a grant from HUD.

CITY OF EUNICE, LOUISIANA
Capital Project Funds

Combining Balance Sheet
June 30, 2000
With Comparative Totals for the Year Ended June 30, 1999

	City Hall Construction Fund	LCDBG Fund	Totals	
			2000	1999
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ 7,395
Investments, at cost	<u>147,291</u>	<u>-</u>	<u>147,291</u>	<u>178,691</u>
Total assets	<u>\$ 147,291</u>	<u>\$ -</u>	<u>\$ 147,291</u>	<u>\$ 186,086</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 2,085	\$ -	\$ 2,085	\$ 1,967
Due to other funds	<u>-</u>	<u>832</u>	<u>832</u>	<u>796</u>
Total liabilities	<u>2,085</u>	<u>832</u>	<u>2,917</u>	<u>2,763</u>
Fund balances (deficit):				
Unreserved, undesignated	<u>145,206</u>	<u>(832)</u>	<u>144,374</u>	<u>183,323</u>
Total liabilities and fund balances	<u>\$ 147,291</u>	<u>\$ -</u>	<u>\$ 147,291</u>	<u>\$ 186,086</u>

CITY OF EUNICE, LOUISIANA
Capital Project Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
June 30, 2000
With Comparative Totals for the Year Ended June 30, 1999

	City Hall Construction Fund	LCDBG Fund	Totals <u>2000</u>	<u>1999</u>
Revenues:				
Intergovernmental revenues -				
Grant revenue	\$ -	\$ 243,069	\$ 243,069	\$ 301,772
Interest	<u>5,239</u>	<u>-</u>	<u>5,239</u>	<u>7,610</u>
Total revenues	<u>5,239</u>	<u>243,069</u>	<u>248,308</u>	<u>309,382</u>
Expenditures:				
Current -				
Other	44,152	-	44,152	26,020
Capital outlay	<u>-</u>	<u>243,105</u>	<u>243,105</u>	<u>335,909</u>
Total expenditures	<u>44,152</u>	<u>243,105</u>	<u>287,257</u>	<u>361,929</u>
Deficiency of revenues over expenditures	(38,913)	(36)	(38,949)	(52,547)
Other financing sources:				
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,000</u>
Deficiency of revenue and other sources over expenditures	(38,913)	(36)	(38,949)	(18,547)
Fund balances (deficits), beginning	<u>184,119</u>	<u>(796)</u>	<u>183,323</u>	<u>201,870</u>
Fund balances (deficits), ending	<u>\$ 145,206</u>	<u>\$ (832)</u>	<u>\$ 144,374</u>	<u>\$ 183,323</u>

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to provide business enterprises - where the intent of the government's council is that the cost of providing goods or service to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

UTILITY FUND

To account for the provision of gas and sewer services to residents of the City of Eunice.

CITY OF EUNICE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Balance Sheets
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Current assets:		
Cash	\$ 102,869	\$ 233,489
Accounts receivable, (net of allowance for uncollectible accounts of \$27,000 for 2000 and \$23,000 for 1999)	250,593	239,729
Other receivables	791	-
Due from other funds	824	824
Prepaid expenses	<u>17,860</u>	<u>14,472</u>
Total current assets	<u>372,937</u>	<u>488,514</u>
Restricted assets - customers' deposits:		
Cash	43,431	42,189
Investments, at cost	<u>191,317</u>	<u>185,469</u>
Total restricted assets	<u>234,748</u>	<u>227,658</u>
Plant and equipment, at cost (net of accumulated depreciation 2000 -\$5,216,151; 1999 -\$4,910,330)	<u>8,278,472</u>	<u>8,209,676</u>
Total assets	<u>\$ 8,886,157</u>	<u>\$ 8,925,848</u>
LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets)		
Accounts payable	\$ 30,352	\$ 37,641
Compensated absences payable	8,007	7,895
Other payables	1,667	1,920
Accrued liabilities	146,000	76,911
Due to other funds	11,590	6,888
Capital lease payable	<u>17,555</u>	<u>16,576</u>
Total current liabilities	<u>215,171</u>	<u>147,831</u>
Current liabilities (payable from restricted assets)		
Customers' deposits	<u>204,865</u>	<u>203,215</u>
Noncurrent liabilities		
Capital lease payable	<u>38,278</u>	<u>55,834</u>
Total liabilities	<u>458,314</u>	<u>406,880</u>
Fund equity:		
Contributed equity -		
Contributions from municipality	4,691,860	4,691,860
Contributions from grants	<u>235,664</u>	<u>235,664</u>
Total contributed equity	<u>4,927,524</u>	<u>4,927,524</u>
Retained earnings	<u>3,500,319</u>	<u>3,591,444</u>
Total fund equity	<u>8,427,843</u>	<u>8,518,968</u>
Total liabilities and fund equity	<u>\$ 8,886,157</u>	<u>\$ 8,925,848</u>

CITY OF EUNICE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Schedule of Revenues, Expenses and
Changes in Retained Earnings
Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Operating revenues:		
Charges for services	\$ 2,640,469	\$ 2,541,151
Other billings to customers	<u>46,392</u>	<u>45,048</u>
Total operating revenues	<u>2,686,861</u>	<u>2,586,199</u>
Operating expenses:		
Payroll and related benefits	412,333	395,678
Gas purchases	744,767	587,789
Supplies and materials	108,262	88,000
Repairs and maintenance	138,909	105,244
Office expenses	32,761	33,454
Professional fees	10,806	11,324
Interest	4,272	-
Insurance - general	58,939	67,576
Depreciation	382,484	340,842
Group insurance	44,124	32,417
Bad debts	9,000	5,591
Permits	10,355	9,876
Utilities and telephone	127,915	125,546
Miscellaneous	<u>19,659</u>	<u>37,979</u>
Total operating expenses	<u>2,104,586</u>	<u>1,841,316</u>
Operating income	<u>582,275</u>	<u>744,883</u>
Nonoperating income:		
Grant revenues	50,000	-
Interest earned on investments	14,439	17,545
Gain on sale of investments	1,530	34,574
Other revenue	<u>10,284</u>	<u>4,805</u>
Total nonoperating income	<u>76,253</u>	<u>56,924</u>
Income before operating transfers	<u>658,528</u>	<u>801,807</u>
Operating transfers:		
Operating transfers in	20,849	10,971
Operating transfers out	<u>(770,502)</u>	<u>(993,648)</u>
Total operating transfers	<u>(749,653)</u>	<u>(982,677)</u>
Net loss	(91,125)	(180,870)
Retained earnings, beginning	<u>3,591,444</u>	<u>3,772,314</u>
Retained earnings, ending	<u>\$ 3,500,319</u>	<u>\$ 3,591,444</u>

Gas Department		Sewer Department	
2000	1999	2000	1999
\$ 1,482,100	\$ 1,378,840	\$ 1,158,369	\$ 1,162,311
<u>34,517</u>	<u>32,833</u>	<u>11,875</u>	<u>12,215</u>
<u>1,516,617</u>	<u>1,411,673</u>	<u>1,170,244</u>	<u>1,174,526</u>
243,861	253,237	168,472	142,441
744,767	587,789	-	-
48,720	33,470	59,542	54,530
47,217	46,230	91,692	59,014
27,489	28,106	5,272	5,348
9,086	9,200	1,720	2,124
-	-	4,272	-
21,343	24,553	37,596	43,023
89,158	96,637	293,326	244,205
27,537	22,124	16,587	10,293
9,000	5,591	-	-
-	-	10,355	9,876
1,644	1,821	126,271	123,725
<u>4,381</u>	<u>17,235</u>	<u>15,278</u>	<u>20,744</u>
<u>1,274,203</u>	<u>1,125,993</u>	<u>830,383</u>	<u>715,323</u>
<u>\$ 242,414</u>	<u>\$ 285,680</u>	<u>\$ 339,861</u>	<u>\$ 459,203</u>

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

GROUP INSURANCE FUND

To account for the accumulation of funds for the City's self-insurance against health care claims.

CITY OF EUNICE, LOUISIANA
Internal Service Fund
Group Insurance Fund

Comparative Balance Sheets
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Current assets:		
Cash	\$ 6,868	\$ 5,000
Investments	<u>94,311</u>	<u>51,292</u>
Total assets	<u>\$ 101,179</u>	<u>\$ 56,292</u>
LIABILITIES AND FUND EQUITY		
Retained earnings	<u>\$ 101,179</u>	<u>\$ 56,292</u>
Total liabilities and fund equity	<u>\$ 101,179</u>	<u>\$ 56,292</u>

CITY OF EUNICE, LOUISIANA
Internal Service Fund
Group Insurance Fund

Comparative Schedule of Revenues, Expenses and
Changes in Retained Earnings
Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Operating revenues:		
Charge for services -		
Group insurance	\$ <u>291,292</u>	\$ <u>283,415</u>
Operating expenses:		
Insurance premiums	160,489	144,265
Claims (net)	87,644	174,753
Miscellaneous expense	<u>-</u>	<u>192</u>
Total operating expenses	<u>248,133</u>	<u>319,210</u>
Operating income (loss)	43,159	(35,795)
Nonoperating income:		
Interest income	<u>1,728</u>	<u>1,711</u>
Income (loss) before operating transfers	44,887	(34,084)
Operating transfers:		
Operating transfers out	<u>-</u>	<u>-</u>
Net income (loss)	44,887	(34,084)
Retained earnings, beginning	<u>56,292</u>	<u>90,376</u>
Retained earnings, ending	<u>\$ 101,179</u>	<u>\$ 56,292</u>

FIDUCIARY FUND TYPES

Fiduciary Fund Types are used to account for assets held by governments in a fiduciary capacity.

PAYROLL FUND

This fund is used to account for the payroll of the City employees.

CITY OF EUNICE, LOUISIANA
Fiduciary Fund Type
Payroll Fund

Comparative Balance Sheets
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Cash	\$ 90,708	\$ 111,630
Due from other funds	<u>47,217</u>	<u>22,230</u>
Total assets	<u>\$ 137,925</u>	<u>\$ 133,860</u>
LIABILITIES		
Accrued liabilities	\$ 137,925	\$ 120,555
Due to other funds	<u>-</u>	<u>13,305</u>
Total liabilities	<u>\$ 137,925</u>	<u>\$ 133,860</u>

Schedule of Changes in Assets and Liabilities

	<u>Balance 7/1/99</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/00</u>
ASSETS				
Cash	\$ 111,630	\$ -	\$ 20,922	\$ 90,708
Due from other funds	<u>22,230</u>	<u>24,987</u>	<u>-</u>	<u>47,217</u>
	<u>\$ 133,860</u>	<u>\$ 24,987</u>	<u>\$ 20,922</u>	<u>\$ 137,925</u>
LIABILITIES				
Accrued liabilities	\$ 120,555	\$ 17,370	\$ -	\$ 137,925
Due to other funds	<u>13,305</u>	<u>-</u>	<u>13,305</u>	<u>-</u>
	<u>\$ 133,860</u>	<u>\$ 17,370</u>	<u>\$ 13,305</u>	<u>\$ 137,925</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

CITY OF EUNICE, LOUISIANA
General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets
Year Ended June 30, 2000

	Balance 7/1/99	Additions	Deletions	Balance 6/30/00
Land and buildings	\$ 5,754,940	\$ -	\$ -	\$ 5,754,940
Industrial facilities	1,175,184	-	-	1,175,184
Autos, equipment, furniture and fixtures	<u>2,052,359</u>	<u>143,318</u>	<u>22,981</u>	<u>2,172,696</u>
Total	<u>\$ 8,982,483</u>	<u>\$ 143,318</u>	<u>\$ 22,981</u>	<u>\$ 9,102,820</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds.

CITY OF EUNICE, LOUISIANA
General Long-Term Debt Account Group

Combining Schedule of General Long-Term Debt
June 30, 2000
With Comparative Totals for June 30, 1999

	Public Improvement Bonds		State Loan	Sales Tax Fund Installment Purchase Contract	Totals	
	Series ST-1997	Series ST-1992			2000	1999
Amount Available and to be Provided for the Payment of General Long-Term Debt						
Amount available in Debt Service Funds for debt retirement	\$ 130,911	\$ 946,366	\$ 108,086	\$ -	\$ 1,185,363	\$ 1,158,479
Amount to be provided from -						
Sale and use taxes	544,089	668,634	-	-	1,212,723	1,794,080
Industrial lease payments	-	-	-	-	-	-
Excess annual revenue	-	-	-	145,115	145,115	204,565
	<u>\$ 675,000</u>	<u>\$ 1,615,000</u>	<u>\$ 108,086</u>	<u>\$ 145,115</u>	<u>\$ 2,543,201</u>	<u>\$ 3,157,124</u>
General Long-Term Debt Payable						
Bonds payable	\$ 675,000	\$ 1,615,000	\$ -	\$ -	\$ 2,290,000	\$ 2,830,000
Estimated liability for claims and judgments	-	-	-	-	-	12,577
General long-term debt	-	-	108,086	145,115	253,201	314,547
Total general long-term debt payable	<u>\$ 675,000</u>	<u>\$ 1,615,000</u>	<u>\$ 108,086</u>	<u>\$ 145,115</u>	<u>\$ 2,543,201</u>	<u>\$ 3,157,124</u>

INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION



**Darnall, Sikes
& Frederick**

(A Corporation of Certified Public Accountants)

**Independent Auditor's Report on Compliance and
on Internal Control over Financial
Reporting Based on an Audit of General
Purpose Financial Statements Performed in
Accordance with Government Auditing Standards**

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA

Danny P. Frederick, CPA

Clayton E. Darnall, CPA

Eugene H. Darnall, III, CPA

Paula D. Bihm, CPA

Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA

Chris A. Miller, CPA

John P. Armato, CPA

Alan M. Taylor, CPA

Kathleen T. Darnall, CPA

Stephen R. Dischler, MBA, CPA

Steven G. Moosa, CPA

Erich G. Loewer, Jr., CPA

Erich G. Loewer, III, CPA

Danny P. Pontiff, CPA

Tamera L. Landry, CPA

Carla R. Fontenot, CPA

Raegan D. Stelly, CPA

Hilda S. Guidry, CPA

Julie T. Templett, CPA

Barbara A. Clark, CPA

Monica E. Laverne, CPA

Locations:

125 Rue Beauregard

Lafayette, LA 70508

337.232.3312

1231 E. Laurel Avenue

Eunice, LA 70535

337.457.4146

1201 Brashear Avenue

Suite 301

Morgan City, LA 70380

504.384.6264

404 Pere Megret

Abbeville, LA 70510

337.893.5470

The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

We have audited the general purpose financial statements of the City of Eunice, Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated September 13, 2000. We have conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

Compliance

As part of obtaining reasonable assurance about whether the City of Eunice, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Eunice, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the City of Eunice, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-1.

Member of:

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described in the schedule of findings and questioned costs as item 00-1 is a material weakness.

This report is intended solely for the information of the City Council, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana

September 13, 2000



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

Compliance

We have audited the compliance of the City of Eunice, Louisiana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2000. The City of Eunice, Louisiana's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Eunice, Louisiana's management. Our responsibility is to express an opinion on the City of Eunice, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Eunice, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Eunice, Louisiana's compliance with those requirements.

In our opinion, the City of Eunice, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control Over Compliance

The management of the City of Eunice, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton F. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Armato, CPA
Alan M. Taylor, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA
Erich G. Loewer, Jr., CPA
Erich G. Loewer, III, CPA
Danny P. Pontiff, CPA
Tamera T. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Hilda S. Guidry, CPA
Julie T. Templett, CPA
Barbara A. Clark, CPA
Monica E. Laverne, CPA

Locations:

125 Rue Beauregard
Lafayette, LA 70508
337.232.3312

1231 E. Laurel Avenue
Eunice, LA 70535
337.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

404 Pere Megret
Abbeville, LA 70510
337.893.5470

Member of
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

applicable to federal programs. In planning and performing our audit, we considered the City of Eunice, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order determine our auditing procedures for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the City Council, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana

September 13, 2000

CITY OF EUNICE, LOUISIANA

Summary Schedule of Prior Year Findings
Year Ended June 30, 2000

99-1 Finding: Inadequate Segregation of Accounting Functions
Status: This finding is unresolved. See current year finding 00-1.

CITY OF EUNICE, LOUISIANA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2000

Part 1 Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the City of Eunice, Louisiana's general purpose financial statements as of and for the year ended June 30, 2000.

Reportable Conditions – Financial Reporting

One reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is shown as items 00-1 in Part 2 and is considered a material weakness.

Material Noncompliance – Financial Reporting

There were no instances of noncompliance material to the financial statements.

FEDERAL AWARDS

Major Program Identification

The City of Eunice, Louisiana at June 30, 2000, had one major program: Community Development Block Grant, which received funds from the Department Housing and Urban Development "passed through" the Louisiana Division of Administration Office of Community Development.

Low-Risk Auditee

The City of Eunice, Louisiana is not considered a low-risk auditee for the year ended June 30, 2000.

Major Program – Threshold

The dollar threshold to distinguish Type A and Type B programs is \$300,000 for the year ended June 30, 2000.

Auditor's Report – Major Program

An unqualified opinion has been issued on the City of Eunice, Louisiana's compliance for its major program as of and for the year ended June 30, 2000.

CITY OF EUNICE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2000

Part 1 Summary of Auditor's Results (Continued)

Compliance Finding Related to Major Program

The audit did not disclose any material noncompliance or questioned costs relative to the City's federal program.

Part 2 Findings Relating to an Audit in Accordance with Government Auditing Standards

00-1 Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the City did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

Part 3 Federal Award Findings and Questioned Costs

There were no instances of material noncompliance or questioned costs related to federal programs disclosed during the audit of the financial statements.

CITY OF EUNICE, LOUISIANA

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 2000

Response to finding 00-1:

A complete segregation of duties is not feasible due to the cost-benefit of hiring additional personnel and the size of the City.

CITY OF EUNICE, LOUISIANA

Schedule of Expenditures of Federal Awards Year Ended June 30, 2000

Grantor/Program Title	CFDA Number	Disbursements/ Expenditures	Amounts to Subrecipients
Passed through Louisiana Office of Cultural Development: Main Street Program	N/A	11,500	-
<u>U.S. Department of Housing and Urban Development:</u>			
Passed through Louisiana Division of Administration Office of Community Development: Community Development Block Grant	14.228	243,068	-
<u>U.S. Department of Interior National Park Service:</u>			
Liberty Theater Programs	N/A	17,700	-
<u>U.S. Department of Justice</u>			
Local Law Enforcement Block Grant Program	16.592	<u>51,752</u>	<u>-</u>
Total expenditures of federal awards		<u>\$ 324,020</u>	<u>\$ -</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF EUNICE, LOUISIANA

Schedule of Per Diem Paid to Members of the Council
Year Ended June 30, 2000

Kenneth J. Peart, Mayor	\$ 30,810
Nolton Anderson	7,120
Louis Pavur	7,120
I. Jackson Burson	13,700
Chawana Fontenot	7,120
Charles Atchison	<u>7,120</u>
	<u>\$ 72,990</u>